G. R. S. IX-5]

Previous references.

Banking 6-96 &c, 1896-97
1-47&8 -191-
(Banking)

File No. 6

Serial Nos. 5-6, 9-10

Later references.

Banking 36-02

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 5-6, 9-10

Part B for May 1898

SUBJECT.

Inspection Report of the Agricultural Bank at Bidarguppe, Anekal Taluk.

Drolled
Assistant

W D 55—GPB—50,000—24-7-16

92-96 700 366

Gen. 30]

189 7 DEPARTMENT

G. F. No 2006

R. No 346

From The Inspector of Co-operative Agricultural Banks in Mysore

To

The Secretary to the Govt. of Mysore,

Revenue Dept.

Thro' The Deputy Commr. Bangalore Dist.

Dated 7th

Despatched 10 September 97

Received

General No. 79

No. 79

Enclosure No. 1

In reply to

SUBJECT.

Submitting a Memo of Inspection of the Bidarguppa Agricultural Bank

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References (to be entered only in the Dewan's Office).

Rev 14-9-97

Regd & Mb

Rec'd 15/9/97

Secretary

Submitted for orders vide Rev draft.

18/9/97

18/9/97

Ref file 20 1/4 Ag 6 put up 7/5/97

No. 79
E 1

Office of the Inspector of Agricultural Banks in Mysore
Dated 7th September 1897
16

From

The Inspector of Agricultural Banks in Mysore

To

The Secretary to the Government of Mysore Revenue & General Depts
Thro' The Deputy Commissioner
Bangalore District.

Sir

I have the honor to submit a Memo of Inspection of the Bedarguppa Agricultural Bank, Anekal Taluk, made by me on the 30th ultimo.

I have the honor to be,
Sir,
Your Most obedient servant

D No. 349
Encl: 2
Submitted.—
Deputy Commr. of Bangalore
H. S. 97

Inspector of Agricultural Banks in Mysore

3

Office of the Inspector of Agricultural Banks in Mysore.

Bangalore Dated 7th/10 September 1897.

Memo of Inspection of the Biderkuppe Agricultural Bank, Anekal Taluk, made by the Inspector of Agricultural Banks in Mysore on the 30th. August 1897.

This Bank was incorporated by the Register of Joint Stock companies on the 5th July 1897; but the business thereof had been commenced on the 11th May 1897. Section 4 of the Mysore Companies Regulation of 1895 prohibits carrying on the business of banking unless the Bank is registered as a company under

the Regulation.

2. The advance sanctioned by Government for this Bank in their Proceedings No. (4) 8311-14 / R. 7114-96 dated the 23rd March 1897 is ~~Rs~~ 15,000; of which ~~Rs~~ 10,000 have been drawn from the Treasury up to date.

3 The numbers of members of the Bank at the commencement was 20, and this number has since increased to 69, of whom only 27 (15 old and 12 new) members have taken loans.

4 The loans granted by the Bank have been of only class I and II, those under the former - on the security of immovable

property amounting to Rs 9600 and under the latter, on joint pro-notes, to Rs 650, or in all Rs 10,250, of which Rs 10,000 have been met from Government advance referred to in para 2 supra, and the rest from interest recovered in advance.

5. From the Balance sheet appended it will be seen that the Receipts of the Bank up to date of inspection was Rs 10349-3-0 against an expenditure of Rs 10,293-1-9, leaving a cash balance of Rs 56-1-3 on hand.

6 The Bank has maintained in addition to the 6 Registers and accounts prescribed in para 7 of

the articles of association, the Register of Property of members and the Register of Directors; but not the Register of Bonds and the Receipt Book. The omission was pointed out to the Agent. He used to obtain stamped receipts on separate papers; which was ordered to be stopped

4. The Register of members, the Register of applications for loans and the Register of property of members are not in bound books. The Directors promised to substitute properly bound books for those now in use.

8 Upon examination of the "Register of Property of members the following defects were noticed

The areas of lands shewn against certain members idid not exclude the shares of hissadars and other Non-members.

ii All the lands owned by the members were not brought on this Register.

iii The totals were in almost all cases incorrect.

The above discrepancies were ordered to be remedied while revising the said Register. in a new form to be supplied shortly.

9. The entries in the cash book were not in sufficient detail

Only the Agent has signed it and not the President.

Necessary instructions have now been given in the matter.

10. The mortgage deeds had all been written up on stamp papers of advalorem value of as 8 per 100 instead of at reduced rates specially sanctioned by Government in favor of the Agricultural Banks. The members said that the Sub Registrar at Anekal had declined to register documents drawn up on stamp papers of reduced value. They now pray for refund of the excess amount paid by them. This will form the subject of separate correspondence.

11. As regards loans granted under class II there should be at least two sureties as per para 4 of the articles of association. This has not been attended to in 6 out of 7 cases. The Directors promised to rectify this at once.

12. The interest on loans of class I has been recovered in advance up to end of

December 1897, and that on loans of class II, for the full period of the bond which runs from 3 to 5 months.

13. It was observed that some members had not produced all the discharged bonds to the Bank, while some others had but made part payment to their several creditors instead of payments in full, the loans taken from the Bank not being sufficient to liquidate all their debts One member Kanjunda Bhatta had utilized the loan granted by the Bank for discharging his debts on pronotes while he had an encumbrance of Rs 300 on his landed property preferentially to discharge. Personal instructions were given to the agent and the Directors not to allow such unsatisfactory state of things to occur. This member promised to redeem his property from the proceeds of his potato crop which will come to hand within a month hence. A circular memorandum to all the Banks has been issued on the subject.

14. From the discharged bonds secured by the Bank, the Undersigned was able to make out that before the formation of this Bank the members thereof were paying a high interest from Rs 15 to 30 per cent per annum to the local sowcars and the ryots of the surrounding villages realizing the inestimable

benefit conferred by these Agricultural Banks on the rural community and having confidence in the present managing staff of the Bank have come forward to avail themselves of these advantages freely and readily. Applications for membership have been recently received by this Bank, from many ryots who have not as yet been enrolled owing to their villages not having been registered and included in the circle of operations of the Bank. Proposals have been received at this Office for extension of the limits of the Bank's operations as also for the grant of an additional loan of Rs 35000 for the benefit of the new as well as the old members who have not drawn money as yet.

15 The Amildar Mr. Srenivasa Rao inspected this Bank once and sent in his report. He is taking active interest in organizing New Banks in his Taluk and watching the working of this Bank.

Inspector of Agricultural Banks in Mysore

R.N.

Balance Sheet of the Bidarkuppe

Debtor

Liabilities								
Debts and Liabilities of the Bank	Amount obtained from the Treasury	10000	"	"				
	Amount deposited by Members	"	"	"	10,000	"	"
Interest recovered	Interest recovered from Members	314	11	0	314	11	"
Miscellaneous	Repayment of loans	"	"	"			
	Entrance fee	34	8	0			
	Fines	"	"	"			
	Sale of Forms &c.	"	"	"	34	8	0
	Total				10349	3	0

Profit and Loss acco

Payment to Government Treasury

Miscellaneous, expenses

Profit

Total Rs 3

Office of the Inspector of Agricultural Banks in Mysore

Bangalore Dated 5th September 1897

ricultural Bank made up to 30th August 1897

	Assets				Creditor		
Debts owing to the Bank	Class I - on Immovable property	9600	0	0			
	Class II - on joint pro-notes	650	0	0			
	Class III - on joint Instalment bond	0	0	0			
	Class IV - on hand loan	0	0	0	10250	0	0
Interest paid to Government	Interest paid to Government for the half Year ending 30th June 1897	24	15	3	24	15	3
Miscellaneous	Registration fee and Contingencies	18	2	6	18	2	6
	Cash in hand	"	"	"	56	1	3
	Total				10349	3	0

nt

Rs24-15-3

Rs18-2-6

306-1-3

49-3-0

Interest recovered from Members = Rs 314-11-0

Entrance fees = Rs 34-8-0

Total Rupees 349-3-0

Inspector of Agriculturas

Rs. Banks in Mysore

12

Note for Despatch

Rec

letter No 79 of the 7 September 1897, from the Inspector, Agricultural Banks in Mysore, Bangalore, forwarding a record of proceedings in connection with the inspection of the ~~Bidar~~ agricultural bank at Bidarguppe in the Sheikal Taluk, ~~Nagar District~~ up to the 30th August 1897

No 3211 / R.7.116-96 dt 23.9.97 24

Under thereon

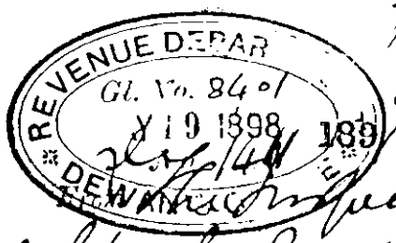
Recorded with the remark that the defects noticed in the record should be rectified, ~~committed~~, as early as possible, ~~and also~~ the Despatch prepared on page 10 submitted.

20/9/97

18/9/97 18/9/97

To the Inspector, Agricultural Banks in Mysore

13



R/1611

11

1897-98

Inspector of Agrl. Cultural Banks in Mysore

To

The Secretary to Govt. of Mysore.
General and Revenue Depts
through the Deputy Commissioner
Bangalore District

Revenue
5
7
9

Dated 14th May 1898.

Despatched 17th

Received

General No. 425

No.

Enclosure No. 2

In reply to

SUBJECT.

Submitting a Memo on the inspection of the Agricultural Bank at Bidarapalya in the Anekal Taluk.

References (to be entered only in the Dewan's Office.)

Rec'd 19.5.98

Submitted for orders

21/5/98

Order 1/5/98

Issued 23rd

14

Office of the Inspector of
Agricultural Banks in Mysore
Bangalore, 14th/17th May 1898

From

The Inspector of Agricultural
Banks in Mysore

To

The Secretary to the
Government of Mysore,
General and Revenue Department
through the Deputy Commissioner
Bangalore District

Sir,

I have the honor to submit
a Memo of inspection of
the Agricultural Bank at
Bidarapalya, Anekal Taluk,
made by me on the 22nd inst and
23rd April 1898.

I have the honor to be,
Sir,
your most obedient servant

Inspector of Agricultural
Banks in Mysore

No 1623

Submitted
Deputy Commissioner
18/5/98 Bangalore

1.5

Exhibit 9

Memo of inspection of the Bidrugutpe Agricultural Bank, Anekal Taluk, made by the Inspector of Agricultural Banks in Mysore on the 22nd and 23rd April 1898

In addition to the advance of Rs 15,000/- sanctioned to this bank in Government Proc: No. 8311-14 / R.F. 114-96 of 23rd March 1897, a further loan of Rs 28,000/- was granted in Proc: No. 4412-15 / R.F. 114-96 of 18th November 1897

S no 4

S no 10

2 The Bank had started with 20 members. At the time of inspection there were 132 on the roll

roll excluding the five who had resigned in the interim. There have been 3 deaths among the members since the Commencement. Their heirs have been duly admitted. The Ryots of the surrounding Villages having confidence in the present managing staff, have sent in applications to become members but they have not been admitted owing to insufficiency of funds

3. From the enclosed Balance Sheet, it will be seen that the Bank has drawn Rs 36,500/- from the Government Treasury

and

and lent to its members
mostly under class I,
upon the security of
immovable property.
The Bank has at its
credit only Rs 6500/-
but it has to meet
the demands of its
present members to
the extent of Rs 10,825/-
From the Profit and
Loss statement attached,
it will be seen that
the Bank during
the course of one year
has realized a profit
of Rs 799-10-11 after
deducting all its
expenses

4 In this Bank
money is being
drawn by the Board
of Directors on
Cheques issued on
the Taluk Treasury
and

and payments made
to the members in Cash
It was pointed out
that all payments
as far as practicable
should be made by
Cheques.
5. All the documents
executed in favor of
the Bank were duly
examined. All the
lands owned by a
member were not
hypothecated. A few
discrepancies betwee
the entries made in
the Property Register and
those shown in the
Schedules attached
to the bonds were
noticed, and steps
will have to be taken
to rectify them when
fresh documents
are drawn. Some lands
whose pattas

Stand

19

stand in the name of others and some which are the joint-property of others, have been included. The members said that the lands hypothecated to the Bank were in the enjoyment of the members and that necessary steps will be taken for the transfer of the Pattas. All the discharged bonds have been secured and lodged in the Bank office with the exception of a few; and necessary steps have been taken to procure them. One mortgaged bond for Rs. 1000/-

is due from Chowdary of Chegala Notice has been given to the man. The Bank authorities ought to have been more careful in their dealings with this member as he appears to have utilized a portion of the amount in clearing debts on simple bonds. They intend taking serious notice of his conduct if the document mentioned above is not produced within the given time

6 Time for repayment of the following debts having expired, steps should be taken to recover them

them

21 (1) Huskur Mooneswara
Rs 50 due on 24.12.1897

(2) B. Venkataseha
Rs 30 due on 11.2.1898.

7 The undersigned
inspected the gardens
of some of the members
and found them
in good condition
The valuation sch
upon them also
appears fair
8 It is worthy of
note that out of
132 members, about
100 persons borrowed
small sums not
exceeding Rs 250/
to clear their debts
which have been a
impoverishing them

on

on account of heavy 92
interest they had
to pay in the shape
of Agram. This
institution has done
these people immense
good and others
similarly situated
are therefore anxious
to become members
and extricate them-
selves from the clutches
of the money lenders.

It is satisfactory
to note that almost
all the defects noticed
in the last inspection
Report, (Vide Govern-
ment Rep: No. 3211 of S No 8
RF. 114-96 of
23 9 1897.) have
been rectified.

Mysore
Inspector of Agricultural
Banks in Mysore

14

Balance Sheet of Bidarahalli Agl

23

Liabilities

								Amount		
I Capital	By amount Sanctioned by Government in Pro. No. 5311-14 RF 114-96 of 23.3.1897	15,000	-	-						
	do — No. 4612-15 RF 114-96 of 18.11.1897	28,000	-	-						
		43,000	-							
II Debts due by the Bank	Amount drawn by the Bank from Government Treasury	36,500			36,500					
	Amount deposited by members									
III Profits	By Interest recovered	1,132	4	11	1,132	4	11			
	Repayment of Loans	710	-	-	710	-	-			
V Miscellaneous	Entrance fees	68	8	-						
	Refund of interest etc.	8	8	10						
	Miscellaneous	1	1	-	78	1	10			
	Total Rupees				38420	6	9			

Profit and

By remittance to Treasury	293	-	3	
Establishment and other items	117	11	7	
By profits	799	10	11	
Total Rs	1210	6	9	

Office of the Inspector of Agricultural Banks in Mysore
Bangalore 14th/17th May 1898

culturals Bank, made upto 23rd April 1898.

95

	Assets						Amount		
I	Assets ——— Property etc								
I	Debts owing to the Bank	Loans on Class I upon the security of immovable property	36	180					
		do — II on Joint bro- notes	1	485					
		do - III on Mubadala or Hand loans	2	21			37	886	
II	Remittance to Treasury	Paid. towards do interest	29	3	-	3	29	3	3
III	Establishment and Contingencies	establishment	5	6					
		Contingencies and other items	6	1	7		11	7	11 7
IV	Cash and investments	Cash on hand	123	10	11		123	10	11
		Total Rupees					3842	6	9

Loss

To	Interest recovered	1132	4	11
	Entrance fees	68	8	-
	other items	9	9	10
	Total Rs	1210	6	9

Inspector of Agricultural Banks in Mysore

Draft as per order

12

Read:—

Letter No. 425 dated 14th May 1898. from the Inspector of Agricultural Banks in Mysore, Submitting a Memo on the ~~ins~~ inspection made by him on the 22nd & 23rd April 1898 of the Agricultural Bank at Bidarguppe Anekal Taluk.

In 11209
R.T. 114-96 27-5-98

Order thereon:—

Recorded

25/5/98
for Secretary

JB
25/5/98

The Inspector of Agri-
cultural Banks in Mysore